

# ORDER ISSUANCE



ONE BOOK

6.1.1

# Basic Ordering Agreements/ Indefinite Delivery Type Contracts



- Basic Characteristics:
- Basic Ordering Agreements(BOAs) - are negotiated instruments of understanding between the Government and a contractor.
- Although the BOA contains terms and conditions, a description of the supplies and services to be provided and pricing methods, all of which apply to future orders issued against the BOA - the BOA itself is not a contract.

# BOAs/IDTCs

CONTINUED

- An Indefinite Delivery Type Contract (IDTC) is a Contract, wherein the description of the supplies and services are specifically delineated. However, the exact times and/or quantities for future deliveries cannot be determined at the time of award. Typical examples of IDTC contracts are Time and Material and Labor Hour contracts.

# TYPES OF ORDERS



□ **PRICED DELIVERY ORDER:** AN ORDER WHICH HAS A DEFINITIZED PRICE, FIRM SPECIFICATIONS, AND DELIVERY SCHEDULES.

■ **UNPRICED DELIVERY ORDER:** AN ORDER ISSUED PRIOR TO DEFINITIZING PRICE, DEVELOPING FIRM SPECIFICATIONS, AND ESTABLISHING DELIVERY SCHEDULES. DFARS 217.74 requires that HCA approval be obtained prior to award of unpriced orders. Such approval should be indicated in CJ&A.

# PCO/ACO RESPONSIBILITIES



- PCO RESPONSIBILITIES
- DELEGATION OF AUTHORITY:
- PCO may issue delegation of authority to ACO to issue orders against BOA/IDTC iaw FAR 42.202.©.

- ACO RESPONSIBILITIES
- REVIEW OF DELEGATION:
- Contract ADMINISTRATION OFFICE (CAO) reviews delegation for and acceptability

# ONCE DELEGATION IS ACCEPTED



## □ PCO MUST:

- Provide the ACO a Justification & Approval (J&A) iaw FAR 6.303.
- Provide a Determination & Findings (D&F) if required by Part 6.
- Provide a Class J&A (CJ&A) or Class D&F (CD&F) delineating a specific class of contracts and a specific period of time.

## ■ ACO MUST:

- Verify receipt of acceptable J&A and D&F if applicable.
- If CJ&A or CD&F is provided by PCO, ensure that equivalent definitions of the covered requirement exist on the order and the CJ&A/CD&F.

# ONCE DELEGATION IS ACCEPTED



- ACO shall now:
  - Document the file, citing salient elements of the order which have resulted in a determination as to the acceptability/unacceptability of the delegation. The issue as to whether or not both pre-/post award synopsis is required shall be addressed and documented for the file.
- Issue orders within the scope of the CJ&A/CD&F.
- Cite “Authority for Contracting without Competition” on each order iaw with the J&A/D&F/CJ&A/CD&F.

# SYNOPSISING :



## ■ PCO

### RESPONSIBILITIES:

- PCO must synopsise all proposed BOA orders and provide copy of the FAR 5.201 synopsis, or the FAR 5.202 (a) or (b) exception to the ACO.

## □ ACO

### RESPONSIBILITIES:

- The ACO will not issue a preaward synopsis or accept delegation to complete a preaward synopsis.



# SYNOPSISING:



## ■ ACO RESPONSIBILITIES:

- ACO will, after receipt of the PCO's preaward synopsis (FAR 5.301(a)), issue a postaward synopsis if the award:
- Exceeds \$25,000, and is
  - (1) subject to the Trade Agreements Act  
FAR 25.402 and 25.403; OR
  - (2) is likely to result in the award of any subcontract

# FUNDING & CONTRACTUAL REQUIREMENTS



## PCO RESPONSIBILITIES:

- PCO must provide adequate funding and clear definition of contractual requirements/work descriptions

## ACO RESPONSIBILITIES:

- If the ACO finds that funding or specifications are deficient he/she must request additional funding/ clarifications from PCO before order issuance.

# ISSUE ORDER



- After the above requirements have been accomplished, the ACO will:
  - a. Issue the order iaw DFARS part 204 and the provisions contained in the BOA/IDTC. Include definitization schedule iaw DFARS 217.7404-3
  - b. Utilize DD Form 1155, Order for Supplies or Services or Standard Form 26, Award/Contract.
  - c. The ACO will ensure compliance with:
    - 1. Contract Pricing Proposal Submission, FAR 53.215-1
    - 2. Effective price and cost analysis as defined in FAR 15.404.

# ISSUE and NEGOTIATE ORDERS

- 3. Establishment of profit objectives (i.e. Weighted Guidelines Method), DFARS 215.971.
- 4 Pre-negotiation Objectives preparation, FAR 15.406-1 and DFARS 215.807
- 5. Certificate of Current Cost or Pricing Data, FAR 15.406-2.
- 6. Price Negotiation Memorandum (PNM) preparation, FAR 15.406-3 and DFARS 215.808
- 7. A formal Board of Review is not required; however, an informal review by the CAO may be requested (DCMC Memo 97-14).
- 8. Applicable Small Business Concerns, as required in FAR 17 and FAR 19.702.

# ISSUE and NEGOTIATE ORDERS CONTINUED



- 9. Requirements for pre-award clearance, as defined in FAR 22.805.
- d. ACOs will distribute orders as follows:
  - 1. Prepare and execute only one original.
  - 2. Distribute copies of the original iaw FAR 4.2, DFARS 204.2 and DFARS 204.6 as applicable.
  - 3. Provide warranty cost Data to the PCO via letter, PNM, or incorporated in the SF30 document.

# SUMMARY OF THE PROCESS



## ▢ INPUTS:

- PCO issues delegation of authority for the ACO to issue order, including HCA approval for unpriced orders.
- ▢ PCO submits appropriate J&A/D&F and/or CJ&A/CD&F
- ▢ PCO submits Pre-award Synopsis to ACO if required
- ▢ PCO provides ACO with adequate funds and specifications

# SUMMARY OF PROCESS



## ■ OUTPUTS:

- ACO accepts delegation
- If delegation is unacceptable, CAO submits a request to decline to DCMC Commander through District Headquarters
- DCMC Commander concurs/non-concurs with CAO rejection
- ACO issues order
- ACO issues post award synopsis if required
- ACO negotiates and definitizes order if unpriced.